

## Message Text

UNCLASSIFIED

PAGE 01 TEHRAN 02518 121254Z  
ACTION NEA-10

INFO OCT-01 ISO-00 EB-08 /019 W  
-----084719 122332Z /65

R 121123Z MAR 78  
FM AMEMBASSY TEHRAN  
TO USDOC WASHDC  
INFO SECSTATE WASHDC 7372

UNCLAS TEHRAN 2518

E.O. 11652: N/A  
TAGS: BBSR IR  
SUBJ: WTDR:FTI: LAVAN PETROLEUM COM (LAPCO)

REF: A. 77 USDOC 16845, B. 77 TEHRAN A-110

1. IRAN  
OFFICE USE: 2. 507 3. 4. 01  
5. LAVAN PETROLEUM CO  
6. 3 ELIZABETH II BLVD PO BOX 3243  
7. TEHRAN  
8. CONTACT NORMAN E DIETZEL  
TITLE MANAGING DIRECTOR  
OTHER OFFICIALS ARE MR A E SCHOEMANN, FINANCIAL DIRECTOR  
MR KHERMANI, PROCUREMENT OFFICER  
10. PHONE 890180-5 11. TELEX 212420 IR  
12. CABLE LAPCO  
13. ESTABL 1965 14. EMPL 200 15. SIZE LARGE  
16. REPUTATION (Y) GOOD 17. RPT DATE 3/78  
OFFICE USE 18. NA 19. X 20. X  
21. NA 22. NA  
23A. 28655/04 PRODUCER, EXPORTER OF CRUDE PETROLEUM  
23B. 35331/5 IMPORTER, END USER OF ROTARY OILFIELD AND GASFIELD  
DRILLING EQUIPMENT  
23C. 35332/5 IMPORTER, END USER OF OTHER OILFIELD AND GASFIELD  
DRILLING EQUIPMENT  
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23D. 3533/5 IMPORTER, END USER OF OILFIELD AND GASFIELD  
PRODUCTION EQUIPMENT  
24. FOREIGN SALES: SELLS CRUDE DIRECTLY AND THROUGH NIOC  
25. FINANCIAL REFS: BANK MELLI IRAN, CHANSE MANHATTAN BANK,  
NYNY  
26. TRADE REFS: ATLANTIC RICHFIELD (ARCO), 515 S FLOWER ST  
LOS ANGELES CAL 90017 TEL 213-486-3511; MURPHY

OIL CORP ARKANSAS ; SUN OIL COM PENNSYLVANIA;

UNION OIL CO, CAL.

27. FOREIGN FIRMS REPRESENTED NONE

28. POST EVALUATION: LAVAN PETROLEUM CO WAS FOUNDED IN 1965 TO EXPLOIT SASSAN FIELD IN PERSIAN GULF. NIOC OWNS 50 PERCENT OF SHARES, REMAINDER SPLIT AMONG 4 AMERICAN COMPANIES NAMED IN ITEM 26, EACH OF WHICH OWNS 12.5 PERCENT. CURRENT PRODUCTION CAPACITY OF LAVAN WELLS APPROX 32,000 METRIC TONS OF CRUDE PER DAY; OUTPUT AVERAGED 8,854 MILLION MT IN 1976 AND 10.57 IN 1977 ALMOST ALL OF WHICH WAS EXPORTED. SOME 6.5 MILLION CUBIC METERS OF GAS WERE PRODUCED IN 1977 ANCILLARY TO DRILLING OPERATIONS, BUT 95 PERCENT OF THE GAS IS FLARED AND THERE ARE NO PLANS TO EXPLOIT IT. ALTHOUGH SASSAN FIELD STILL HAS ANOTHER 10 YEARS OF PRODUCTION AT CURRENT RATES, LAVAN MAY IN THE FUTURE DEVELOP ITS BAHRAM FIELD IN PERSIAN GULF. EXPLOITATION OF BAHRAM FIELD MARGINAL AT CURRENT PRICES BUT AS CRUDE PRICES RISE THIS FIELD WILL PROBABLY BE DEVELOPED AND HELP TO OFFSET DECLINING YIELD FROM SASSAN. AMERICAN SUPPLIERS OF OILFIELD EQUIPMENT MAY APPROACH LAVAN THROUGH AGENTS IN TEHRAN OR THROUGH ATLANTIC RICHFIELD (ITEM 26). ALTHOUGH FINANCIAL INFO NOT AVAILABLE ON THIS COMPANY, PETROLEUM INDUSTRY SOURCES IN IRAN BELIEVE LAVAN TO BE HIGHLY PROFITABLE ENTERPRISE WITH AMPLE RESOURCES TO CONTINUE INTO FUTURE. IN SPITE OF NOMINAL CAPITALIZATION (DOLS 35,000), FIRM IS BACKED BY RESOURCES OF NIOC AND UNCLASSIFIED

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AMERICAN PARTNERS AND IS CONSIDERED A PRIME CONTACT FOR US SUPPLIERS.

29. PRES G P WILSON APPR D E WESTLEY.  
SULLIVAN

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
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**Copy:** SINGLE  
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**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
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**Disposition Event:**  
**Disposition History:** n/a  
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**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Retention:** 0  
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**TAGS:** BBSR, IR  
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**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014